

[Second Reprint]

SENATE, No. 2356

STATE OF NEW JERSEY
220th LEGISLATURE

INTRODUCED MARCH 17, 2022

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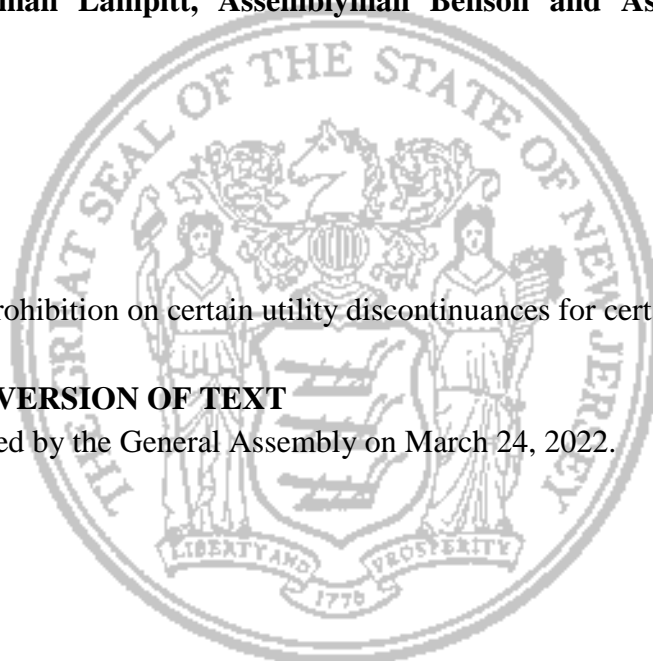
Assemblywoman Lampitt, Assemblyman Benson and Assemblywoman Mosquera

SYNOPSIS

Extends prohibition on certain utility discontinuances for certain customers.

CURRENT VERSION OF TEXT

As amended by the General Assembly on March 24, 2022.



(Sponsorship Updated As Of: 3/24/2022)

1 AN ACT concerning extended utility service protections for certain
2 customers and amending P.L.2021, c.317 (C.40A:5A-28 et al.).

3

4 **BE IT ENACTED** by the Senate and General Assembly of the State
5 of New Jersey:

6

7 1. Section 1 of P.L.2021, c.317 is amended to read as follows:

8 1. As used in sections 1 and 2 of P.L.2021, c.317:

9 “Local authority” means an authority, as defined in section 3 of
10 P.L.1983, c.313 (C.40A:5A-3), or a water district established
11 pursuant to R.S.40:62-96 et seq., that provides electric, sewer, or
12 water service.

13 “Municipal utility” means a municipal public utility, as defined
14 in N.J.S.40A:1-1, or a joint meeting or regional service agency as
15 defined in section 3 of P.L.2007, c.63 (C.40A:65-3), that provides
16 electric, sewer, or water service.

17 “Public utility” means a public utility, as defined pursuant to
18 R.S.48:2-13, that provides electric, gas, sewer, or water service.

19 “Residential customer” means a residential customer of record of
20 a local authority, municipal utility, or a public utility or any
21 residential tenant of a residence where the owner or any agent or
22 other representative of the owner of the residence is a non-
23 residential customer of record of a local authority, municipal utility,
24 or public utility.

25 “Submitted an application” means a residential customer has
26 created an application via the online portal or telephone hotline
27 operated by the Department of Community Affairs, or has
28 submitted a paper application to the Department of Community
29 Affairs or through a home energy assistance grantee agency. A
30 residential customer who has submitted an application shall include
31 those residential customers who have yet to provide, mail, or upload
32 documents that are required in order for the application for the
33 utility assistance program to be deemed complete.

34 “Utility emergency” means any condition constituting a potential
35 danger to life, health, or property that requires a local authority,
36 municipal utility, or public utility to discontinue or interrupt the
37 provision of electric, gas, sewer, or water service.

38

39 2. Section 2 of P.L.2021, c.317 is amended to read as follows:

40 2. a. The provisions of Executive Order No. 246 of 2021
41 concerning a grace period for residential customers of certain
42 utilities, including paragraphs two through four, nine through 14, 16
43 through 18, and 21, shall remain in effect for any local authority,
44 municipal utility, and public utility that provides, sewer, or water
45 service, and any municipal utility or rural electric cooperative that

EXPLANATION – Matter enclosed in bold-faced brackets **[thus]** in the above bill is not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter

Matter enclosed in superscript numerals has been adopted as follows:

¹Senate SLP committee amendments adopted March 21, 2022.

²Assembly floor amendments adopted March 24, 2022.

1 provides electric service, through March 15, 2022. Any residential
2 customer sewer, or water service discontinuance, and any
3 discontinuance of electric service to a residential customer of a
4 municipal utility or rural electric cooperative occurring between the
5 end of the grace period established pursuant to Executive Order No.
6 246 of 2021 and the effective date of P.L.2021, c.317 (C.40A:5A-
7 28 et al.) shall be nullified and service shall be restored
8 immediately. Notwithstanding any other provisions of law, a local
9 authority or municipal utility shall not place, sell, or enforce a lien
10 on real property for the unpaid balance of any electric or water
11 charges, or for the unpaid balance of any sewer charges not sold at
12 tax sale as of January 1, 2022 or otherwise accrued to a lien that
13 was struck off to a municipality or sold prior to January 1,
14 2022, until after the expiration of the extended grace period
15 pursuant to this section. The extended grace period provided for in
16 this section shall expire on March 15, 2022.

17 b. Notwithstanding any other provisions of law, prior to
18 discontinuing service to a residential customer, or placing, selling,
19 or enforcing a lien on real property owned by a residential customer
20 for the unpaid balance of any water charges accrued between the
21 declaration of a public health emergency in Executive Order No.
22 103 of 2020 and March 15, 2022, a local authority, municipal
23 utility, or public utility shall offer the residential customer a utility
24 service bill payment plan for the unpaid balance of any water
25 charges accrued prior to March 15, 2022. The utility service bill
26 payment plan shall have a minimum 12-month duration unless the
27 residential customer requests a shorter payback period, and shall not
28 require payment of a down payment, deposit, reconnection costs,
29 interest, or penalties. The local authority, municipal utility, or
30 public utility may offer residential customers a combined payment
31 and payment forgiveness plan with a duration of less than 12
32 months that involves forgiveness of at least 50 percent of the
33 outstanding principal upon the consent of the residential
34 customer. **【If】** Except as otherwise provided in subsection k. of this
35 section, if a residential customer does not agree to a utility service
36 bill payment plan pursuant to this subsection within 30 days of
37 being offered the plan by the local authority, municipal utility, or
38 public utility, the local authority, municipal utility, or public utility
39 may take appropriate enforcement action after March 15, 2022,
40 including discontinuing service or placing, selling, or enforcing a
41 lien, to the extent otherwise permitted by law.

42 c. Notwithstanding any other provisions of law, prior to
43 discontinuing service to a residential customer, or placing, selling,
44 or enforcing a lien on real property owned by a residential
45 customer, for the unpaid balance of any electric charges accrued
46 between the declaration of a public health emergency in Executive
47 Order No. 103 of 2020 and March 15, 2022, a municipal electric
48 utility or rural electric cooperative shall offer the residential

1 customer a utility service bill payment plan for the unpaid balance
2 of any electric charges accrued prior to March 15, 2022. The utility
3 service bill payment plan shall have a minimum 12-month duration
4 unless the residential customer requests a shorter payback period,
5 and shall not require payment of a down payment, deposit,
6 reconnection costs, interest, or penalties. The municipal electric
7 utility or rural electric cooperative may offer residential customers a
8 combined payment and payment forgiveness plan with a duration of
9 less than 12 months that involves forgiveness of at least 50 percent
10 of the outstanding principal upon the consent of the residential
11 customer. **[If]** Except as otherwise provided in subsection k. of this
12 section, if a residential customer does not agree to a utility service
13 bill payment plan pursuant to this subsection within 30 days of
14 being offered the plan by the municipal electric utility or rural
15 electric cooperative, the municipal electric utility or rural electric
16 cooperative may take appropriate enforcement action after March
17 15, 2022, including discontinuing service or placing, selling, or
18 enforcing a lien, to the extent otherwise permitted by law.

19 d. Notwithstanding any other provisions of law, prior to
20 discontinuing service to a residential customer for the unpaid
21 balance of any electric or gas charges accrued between the
22 declaration of a public health emergency in Executive Order No.
23 103 of 2020 and the expiration date of Executive Order No. 246 of
24 2021, or in the case of a customer participating in the Winter
25 Termination Program set forth in N.J.A.C.14:3-3A.5, any electric or
26 gas charges accrued between the declaration of a public health
27 emergency in Executive Order No. 103 of 2020 and March 15,
28 2022, a public utility shall offer the residential customer a utility
29 service bill payment plan for the unpaid balance of any electric or
30 gas charges accrued prior to the expiration date of Executive Order
31 No. 246 of 2021 or, in the case of a customer participating in the
32 Winter Termination Program set forth in N.J.A.C.14:3-3A.5, any
33 electric or gas charges accrued prior to March 15, 2022. The utility
34 service bill payment plan shall have a minimum 12-month duration
35 unless the residential customer requests a shorter payback period,
36 and shall not require payment of a down payment, deposit,
37 reconnection costs, interest, or penalties. The public utility may
38 offer residential customers a combined payment and payment
39 forgiveness plan with a duration of less than 12 months that
40 involves forgiveness of at least 50 percent of the outstanding
41 principal upon the consent of the residential customer. **[If]** Except
42 as otherwise provided in subsection k. of this section, if
43 a residential customer does not agree to a utility service bill payment
44 plan pursuant to this subsection within 30 days of being offered the
45 plan by the public utility, the public utility may take appropriate
46 enforcement action after the expiration of Executive Order 246 of
47 2021 or for customers participating in the Winter Termination
48 Program set forth in N.J.A.C.14:3-3A.5 after March 15, 2022,

1 including discontinuing service, to the extent otherwise permitted
2 by law.

3 e. Notwithstanding any other provisions of law, prior to
4 discontinuing service to a residential customer, or placing, selling,
5 or enforcing a lien on real property owned by a residential
6 customer, for the unpaid balance of any sewer charges accrued
7 between the declaration of a public health emergency in Executive
8 Order No. 103 of 2020 and March 15, 2022 that had not been sold
9 at tax sale as of January 1, 2022 or otherwise accrued to a lien that
10 was struck off to a municipality or sold prior to January 1, 2022, a
11 local authority, municipal utility, or public utility shall offer a
12 residential customer a utility service bill payment plan for the
13 unpaid balance of any sewer charges accrued **[**between the
14 declaration of a public health emergency in Executive Order No.
15 103 of 2020 and**]** prior to March 15, 2022. The utility service bill
16 payment plan shall have a minimum 12-month duration unless the
17 residential customer requests a shorter payback period, and shall not
18 require a down payment, deposit, reconnection costs, interest, or
19 penalties. The local authority, municipal utility, or public utility
20 may offer residential customers a combined payment and payment
21 forgiveness plan with a duration of less than 12 months that
22 involves forgiveness of at least 50 percent of the outstanding
23 principal upon the consent of the residential customer. **[If]** Except
24 as otherwise provided in subsection k. of this section, if a
25 residential sewer customer does not agree to a utility service bill
26 payment plan within 30 days of being offered a plan by the local
27 authority, municipal utility, or public utility, the local authority,
28 municipal utility, or public utility may take appropriate enforcement
29 action after March 15, 2022, to the extent otherwise permitted by
30 law.

31 f. Utility service bill payment plans offered by municipal
32 utilities and local authorities pursuant to subsections b., c., and e. of
33 this section shall be subject to the provisions of R.S.54:5-19
34 pertaining to installment agreements, except as otherwise provided
35 in this section, and that a residential customer shall be offered a
36 utility service bill payment plan for the payment of water, sewer, or
37 electric charges that became delinquent notwithstanding whether a
38 parcel of property is already subject to an installment payment plan
39 pursuant to law.

40 g. No local authority, municipal utility, or public utility shall
41 collect any interest, fee, or charge from residential customers for
42 late or otherwise untimely payments of water charges that accrued
43 between the declaration of a public health emergency in Executive
44 Order No. 103 of 2020 and March 15, 2022. A local authority,
45 municipality utility, or public utility may charge and collect fees,
46 interest, and penalties for delinquent water charges that accrued
47 prior to the declaration of a public health emergency in Executive

1 Order No. 103 of 2020 and after March 15, 2022, as permitted by
2 law.

3 h. No municipal electric utility or rural electric cooperative
4 shall collect any interest, fee, or charge from residential customers
5 for late or otherwise untimely payments of electric charges that
6 accrued between the declaration of a public health emergency in
7 Executive Order No. 103 of 2020 and March 15, 2022. A local
8 authority, municipal utility, or public utility may charge and collect
9 fees, interest, and penalties for delinquent electric charges that
10 accrued prior to the declaration of a public health emergency in
11 Executive Order No. 103 of 2020 and after March 15, 2022, as
12 permitted by law.

13 i. No public utility shall collect any interest, fee, or charge
14 from residential customers for late or otherwise untimely payments
15 of electric or gas charges that accrued between the declaration of a
16 public health emergency in Executive Order No. 103 of 2020 and
17 the expiration date of Executive Order No. 246 of 2021, or in the
18 case of a customer participating in the Winter Termination Program
19 set forth in N.J.A.C.14:3-3A.5, that accrued between the declaration
20 of a public health emergency in Executive Order No. 103 of 2020
21 and March 15, 2022. A public utility may charge and collect fees,
22 interest, and penalties for delinquent electric or gas charges that
23 accrued prior to the declaration of a public health emergency in
24 Executive Order No. 103 of 2020 and after the expiration date of
25 Executive Order No. 246 of 2021 or March 15, 2022, as applicable,
26 as permitted by law.

27 j. No local authority, municipal utility, or public utility shall
28 collect any interest, fee, or charge for late or otherwise untimely
29 payments of sewer charges that accrued between January 1, 2022
30 and March 15, 2022, or that accrued between the declaration of a
31 public health emergency in Executive Order No. 103 of 2020 and
32 December 31, 2021 and had not been sold at tax sale as of January
33 1, 2022 or otherwise accrued to a lien that was struck off to a
34 municipality or sold prior to January 1, 2022. A local authority,
35 municipality utility, or public utility may charge and collect fees,
36 interest and penalties for delinquent sewer charges that accrued
37 prior to the declaration of a public health emergency in Executive
38 Order No. 103 of 2020 and after March 15, 2022, as permitted by
39 law.

40 k. (1) For a residential customer who, prior to June 15, 2022,
41 has submitted an application to a State agency for utility assistance
42 from the "Universal Service Fund," established pursuant to section
43 12 of P.L.1999, c.23 (C.48:3-60), the "Low Income Home Energy
44 Assistance Program," established pursuant to 42 U.S.C. s.8621 et
45 seq., the "Low Income Household Water Assistance Program,"
46 established pursuant to the Consolidated Appropriations Act of
47 2021, Pub.L.116-260, or any other utility assistance program
48 administered by the State, but the residential customer has not

1 received an application determination from the appropriate State
2 agency, any local authority, municipal utility, public utility, or rural
3 electric cooperative within the residential customer's service
4 territory shall continue to provide electric, gas, sewer, or water
5 service to the residential customer for 60 days after the customer
6 has submitted an application. If the customer completes the
7 application, the local authority, municipal utility, public utility, or
8 rural electric cooperative shall continue to provide electric, gas,
9 sewer, or water service to the residential customer until such time as
10 the application is approved or rejected by the appropriate State
11 agency. Any discontinuance occurring to a residential customer
12 described in this paragraph between the end of the extended grace
13 period established pursuant to the effective date of P.L.2021, c.317
14 (C.40A:5A-28 et al.) and before the effective date of P.L. ,
15 c. (C.) (pending before the Legislature as this bill) shall be
16 nullified and service shall be restored immediately.

17 (2) Notwithstanding any other provisions of law, when a
18 residential customer has, prior to June 15, 2022, submitted an
19 application to a State agency for utility assistance pursuant to
20 paragraph (1) of this subsection, a local authority or municipal
21 utility shall not place, sell, or enforce a lien on real property owned
22 by a residential customer for the unpaid balance of any electric or
23 water charges, or for the unpaid balance of any sewer charges not
24 sold at tax sale, or otherwise accrued to a lien that was struck off to
25 a municipality, or sold prior to January 1, 2022, until 60 days after
26 the customer has submitted an application, or, if the application is
27 completed, until such time as the application is approved or rejected
28 by the appropriate State agency. If a residential customer has
29 appealed a State agency's denial of a utility assistance program
30 application, a municipality or local authority shall delay placing,
31 selling, or enforcing a lien for the unpaid balance of water, sewer,
32 or electric charges pending conclusion of administrative review by
33 the State agency.

34 (3) Upon the termination of the protection from discontinuation
35 of service afforded to a residential customer pursuant paragraph (1)
36 of this subsection, the local authority, municipal utility, public
37 utility, or rural electric cooperative shall offer the residential
38 customer a utility service bill payment plan that conforms to the
39 requirements of subsections b., c., d., or e. of this section, as
40 applicable, except that such payment plan shall also include the
41 unpaid balance of any electric, gas, sewer, or water charges accrued
42 between March 15, 2022 and the termination of the protection from
43 discontinuation of service afforded pursuant to paragraph (1) of this
44 subsection. If the residential customer does not agree to a utility
45 service bill payment plan within 30 days of being offered a plan
46 pursuant to this paragraph, the local authority, municipal utility,
47 public utility, or rural electric cooperative may take appropriate
48 enforcement action, including discontinuing service or placing,

1 selling, or enforcing a lien, to the extent otherwise permitted by
2 law.

3 (4) Within two weeks of the effective date of
4 P.L. , c. (C.) (pending before the Legislature as this bill),
5 and on a bi-weekly basis thereafter, the Department of Community
6 Affairs, Department of Human Services, Board of Public Utilities,
7 or any other State agency that administers a utility assistance
8 program, shall provide written notice to each local authority,
9 municipal utility, public utility, and rural electric cooperative that
10 provides electric, gas, sewer, or water service within the residential
11 customer's service territory, which notice shall indicate:

12 (a) the name ¹[and] ,¹ address ¹, and utility account number¹ of
13 each residential customer that has submitted an application or
14 completed an application to a utility assistance program pursuant to
15 paragraph (1) of this subsection; and

16 (b) the protections set forth in paragraphs (1) and (2) of this
17 subsection, which prohibit the discontinuance of any utility service
18 to that residential customer and the placing, selling, or enforcing of
19 a lien on real property owned by a residential customer until the
20 State agency determines the residential customer's application.

21 (5) Within 90 days of receiving a completed application for
22 utility assistance from a residential customer, the Department of
23 Community Affairs, Department of Human Services, Board of
24 Public Utilities, or any other State agency that administers a utility
25 assistance program shall provide approval or rejection of the
26 application to the residential customer via ²[certified and]² regular
27 mail and, if applicable, the online portal in which the residential
28 customer applied for the utility assistance program.

29 ¹(a) Upon receipt of a completed application, the Department of
30 Community Affairs shall consider whether the residential customer
31 is eligible for any utility assistance programs administered by the
32 department when making an application determination. If the
33 residential customer is eligible for participation in the Payment
34 Assistance for Gas and Electric program, the Department of
35 Community Affairs shall refer the application to the Affordable
36 Housing Alliance, which administers the program, for review and
37 determination.

38 (b) The notice provided to the residential customer pursuant to
39 this paragraph shall include information concerning the availability
40 of the utility bill service payment plans established pursuant to
41 paragraph (3) of this subsection.¹

42 (6) Within ²[three] seven² business days of approving or
43 rejecting a residential customer's application for a utility assistance
44 program, the State agency that administers the utility assistance
45 program shall provide a notice of determination to each local
46 authority, municipal utility, public utility, and rural electric
47 cooperative that provides electric, gas, sewer, or water service

1 within the residential customer's service territory. In addition to
2 any other information that the State agency may deem appropriate,
3 the written notice shall indicate:

4 (a) the name '[and] ,' address , and utility account number' of
5 the residential customer who applied for the utility assistance
6 program;

7 (b) the decision made on the application and the amount of
8 assistance that will be provided to the residential customer; and

9 (c) the termination of the protections set forth in paragraphs (1)
10 and (2) of this subsection.

11 (7) A local authority, municipal utility, public utility, or rural
12 electric cooperative shall not be deemed to violate the provisions of
13 this subsection if:

14 (a) the State agency failed to provide notice to the local
15 authority, municipal utility, public utility, or rural electric
16 cooperative pursuant to paragraph (4) of this subsection and the
17 customer has not notified the local authority, municipal utility,
18 public utility, or rural electric cooperative of the submitted
19 application; or

20 (b) the local authority, municipal utility, public utility, or rural
21 electric cooperative determines, in good faith, that a utility
22 emergency requires the discontinuance or interruption of electric,
23 gas, sewer, or water service.

24 (8) Residential customers of a municipal utility or local
25 authority providing water or electric service shall have the interest
26 on unpaid delinquent water or electric charges calculated as
27 follows, with such calculations also to be used when calculating a
28 tax sale lien redemption:

29 (a) unpaid charges delinquent prior to March 9, 2020 shall have
30 interest calculated from either the due date or last date of payment
31 to March 9, 2020, and from March 16, 2022 until the date of
32 payment. No interest shall be calculated from March 9, 2020
33 through March 15, 2022; and

34 (b) unpaid charges delinquent from March 9, 2020 through
35 March 15, 2022 shall have interest calculated from March 16, 2022
36 to the date of payment.

37 (9) Residential customers of a municipal utility or local
38 authority providing sewer service shall have the interest on unpaid
39 sewer charges delinquent as of March 15, 2022 calculated from
40 March 16, 2022 to the date of payment.

41 (10) Redemptions of sewer liens that prior to January 1, 2022
42 were sold, accrued to a lien as a subsequent payment, or struck off
43 to a municipality shall have interest calculated from the date of tax
44 sale or the date of the subsequent payment to December 31, 2021,
45 and from March 16, 2022 to the date of redemption. No interest
46 shall be calculated from January 1, 2022 to March 15, 2022.

47 (11) Interest, late fees and penalties may be waived for
48 residential customers of municipal utilities or local authorities

1 providing water, sewer, or electric service to the extent necessary
2 for compliance with utility assistance program requirements.

3 (cf: P.L.2021, c.317, s.2)

4

5 3. (New section) a. Upon the effective date of P.L. ,
6 c. (C.)(pending before the Legislature as this bill), the
7 Department of Community Affairs, Department of Human Services,
8 Board of Public Utilities, and any other State agency that
9 administers a utility assistance program shall update all public
10 information, including written materials, advertisements, and
11 websites, regarding the availability of the Winter Termination
12 Program set forth in N.J.A.C.14:3-3A.5, utility assistance from the
13 “Universal Service Fund,” established pursuant to section 12 of
14 P.L.1999, c.23 (C.48:3-60), the “Low Income Home Energy
15 Assistance Program,” established pursuant to 42 U.S.C. s.8621 et
16 seq., the “Low Income Household Water Assistance Program,”
17 established pursuant to the Consolidated Appropriations Act of
18 2021, Pub.L.116-260, or any other utility assistance program
19 administered by the State.

20 The public information shall prominently include a statement of
21 the consumer protections residential customers shall receive if the
22 customer has submitted an application for a utility assistance
23 program or completed an application for a utility assistance
24 program.

25 b. Each local authority, municipal utility, public utility, or rural
26 electric cooperative shall provide the information in subsection a. of
27 this subsection in any communication to a residential customer in
28 connection with an overdue utility bill.

29

30 4. This act shall take effect immediately and shall be
31 retroactive to March 15, 2022.